

INCOME TAX REIMBURSEMENT ALLOWANCE

YEAR 2 = 1999.....YEAR 1 = 1994

NAME OF CLAIMANT	Joe Traveler
SSN OF CLAIMANT	999/66/5555
AUTHORIZATION NUMBER	LT 546001
OFFICE	Finance
ACTIVITY	Travel
REPORT DATE TO NEW LOCATION	01/02/1994
1. EARNED INCOME FOR YEAR 1	\$ 89,000.00
2. TAX FILING STATUS	MARRIED FILING JOINT RETURN
3. FEDERAL TAX RATES	.28 (YR1); .28(YR2)
4. STATE TAX RATE AND STATE	.0575 VIRGINIA
STATE RATE AS % OF TXBL INCOME	.0575
5. LOCAL TAX RATE	0
LOCAL TAX RATE BASED ON INCOME	0
6. COMBINED MARGINAL TAX RATES	.3214 (YR1); .3214 (YR2)
7. COVERED TAXABLE PER DIEM PAYMENTS	: \$ 18,000.00 ①
8. STATE WITHHOLDING TAX RATE	.05 VIRGINIA

TOTAL INCOME TAX REIMBURSEMENT ALLOWANCE (YEAR 2):	\$ 8,525.20
LESS WITHHOLDING TAX ALLOWANCES (YEAR 1)	\$ 1,500.00 ②
FINAL INCOME TAX REIMBURSEMENT ALLOWANCE (YEAR 2)	\$ 7,025.20
LESS 28% FED.WITHHOLDING TAX FOR YEAR 2	\$-1,967.06
LESS FICA TAX ON YEAR 2 FINAL ITRA	\$ - 537.43
(SEE NOTE 1)	
LESS STATE WITHHOLDING TAX FOR YEAR 2	\$ - 351.26
SUBTOTAL	\$ 4,169.45
LESS FIRST OFFSET	\$
LESS SECOND OFFSET	\$
NET INCOME TAX REIMBURSEMENT TO CLAIMANT	\$ 4,169.45 ③
Tax Penalty paid to IRS	\$ 210.00
Total Payment Due	\$ 4,379.45 ④

(ASSUMING NO LOCAL TAX WITHHOLDING)

NOTE 1: CALCULATION OF THE YEAR 2 FICA TAX:

FICA category: FULL FICA WITHHOLDING (OASDI PLUS HIT)

YTD FICA income	:	\$ 14,000.00
Final ITRA allowance	:	\$ 7,025.20
Max. inc. subject to FICA (OASDI)		\$ 72,600.00
* FICA (OASDI) withholding of.....		\$ 435.56
.computed on base of:		\$ 7,025.20
.at FICA (OASDI) rate: .062		
No income limit for Medicare (HIT)		
*Medicare (HIT) withholding of	\$	101.87
. computed on base of:		\$ 7,025.20
. at Medicare rate of: .0145		
***Grand total FICA withholding.....	\$	537.483

① This is the per diem payments included in the employee's W-2 as taxable income. Do not include interest or penalties paid to the IRS in this space.

② Excess per diem allowance paid to offset taxes (this is per diem in excess of 55% of the locality rate).

③ All allowable interest and penalties for tax years 1993 and 1994 must be added to this total.

④ Payment due after adding the verified IRS penalty.